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In the Matter of:

)	
Request for Appeal of a Decision)	
by the Schools and Libraries Division)	Administrator Correspondence Dated
for Carson City School District,)	September 11, 2018
Carson City, Nevada)	
)	
Universal Service Administrative Company)	
Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

October 2, 2018

Requestor: Carson City School District
Billed Entity Number: 143434
FCC Registration Number: 0013774658
Form 471: 161022020
Funding Request Numbers: 1699041850, 1699042660

Appeal

In accordance with Sections 54.719 through 54.721 of the Commission's Rules, Carson City School District, (Carson City or the District), appeals a decision on Appeal by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator).

In correspondence dated September 11, 2018, the Administrator issued a Revised Funding Commitment Decision Letter (RFCDL) denying Appeal #118911 submitted by the applicant on August 9, 2018. The District's Form 500 #80629¹ was submitted in error which inadvertently changed the Service Start Date resulting in USAC changing the number of months of service from twelve to one and thus reducing the overall funding amount. The error was not identified by the applicant until they received a Recovery of Improperly Disbursed Funds (RIDF) letter dated July 13, 2018.² Consistent with precedent in Joseph Jingoli & Son, Inc., we appeal to the FCC to direct USAC to cancel FCC Form 500 #80629 and reinstate the Service Start Date for FRNs 1699041850 and 1699042660.³ This appeal is timely submitted within 60 days of the Administrator's decision.

Background

Funding Year 2016 FRN 1699041850 for Internet access and FRN 1699042660 for voice services were both funded on December 28, 2016. The Service Start Date for each FRN was correctly identified in Form 471 #161022020 as July 1, 2016 and the original Form 486 #313583 as July 1, 2016. The district received both services from July 1, 2016 through June 30, 2017.

The SPIN for FRN 1699041850 was incorrectly keyed into the Form 471. The originally listed provider, AT&T Mobility the cellular provider, did not provide Internet and WAN service for any portion of the year, nor did they submit a bid for these services. Eschelon Telecom of Nevada, Inc did provide a bid and did provide service for Carson City School District from July 1, 2016 through June 30, 2017. Corrective SPIN Change #43298, was submitted on May 22, 2017 and subsequently approved on August 4, 2017.

¹ CCSD_Form 500 #80629, Submitted 10/27/2017

² CCSD RIDF – June 2018

³ Joseph Jingoli & Sons, DA 07-4471, rel. October 30, 2007, CC Docket 02-6. At 4: "In these instances, the applicants did not intend to cancel their funding requests."

The District submitted FCC Form 500 #80629 on October 27, 2017, mistakenly thinking they were requesting an Invoice Deadline Extension and had no intention of reducing the number of months of service, the service start date or the total amount of funding.

The District, which had paid its monthly invoices in-full for both FRNs with Eschelon, filed a FCC Forms 472 for FRN 1699041850 for \$102,320.44 which USAC approved and disbursed on February 23, 2018 and FRN 1699042660 for \$7,120 which USAC approved and disbursed on November 3, 2017.

On February 22, 2018, USAC processed the Form 500 and made a change to the Committed Form 471 service start date, changing it from 7/1/2016 to 6/30/2017. This change also reduced the committed recurring months of service from 12 to 1. These changes reduced the committed total costs. Since disbursements had already been made for both FRNs, USAC generated a RIDF which the applicant received in July 2018.

Discussion

Funding Year 2016 was the first full year of implementation of the Administrator's "E-Rate Productivity Center" (EPC) portal for applicants to interact with the Administrator. Problems with EPC implementation resulting in numerous wrongful funding denials and Commission actions overturning those denials.⁴ This was also the first year of exclusively online invoicing and invoice deadline extension requests via a secure password protected portal.

Carson City's consultant filed a Form 500 with the obvious intent to request an invoice deadline extension. A plain reading of the submitted Form 500 would clearly indicate a desire to extend the invoice deadline. The form title is "CCSD 1617 Invoice extension APP161022020" showing clear intent. Because the Form 500 does not explicitly have an "Invoice Deadline Extension" function, the consultant chose to submit using the Service Start Date Change function. For both FRNs here under appeal the date "06/30/2017" was entered as the Original Service Start Date and the same "06/30/2017" as the New Service Start Date. (Form 500 included as Attachment 1).

⁴ Pribilof School District, FCC 18-118, rel. August 8, 2018 CC Docket 02-6. Statement from Commissioner O'Rielly: The EPC system's technical problems are well-documented, and I understand that the Chairman and staff are working with USAC to address them, so I will not belabor them here."; DA 18-118 rel. February 26, 2018: "We take this action in response to the extraordinary circumstances created by technological system issues that delayed USAC's issuance of post-commitment RFCDLs for funding year 2016."

Entering the same date on a form designated to change a service start date has no effect on the service start date and should have been moot. Instead, the Administrator ignored the fact that the Original Service Start Date was completely incorrect, overrode the EPC system and erroneously changed the Service Start Sate for these FRNs to 06/30/2017 – the last day of the fund year, effectively reducing funding to a single day.

Because of the obvious errors on the Form 500, at minimum the Administrator should have contacted the consultant or applicant to determine if the intent was to effectively cancel both FRNs, particularly when the Form 500 does have a provision for outright cancellation of an FRN. Consistent with Administrator procedure with other forms that contain obvious errors, this Form 500 could have been rejected for failure to meet minimum processing standards. In this case, first an Original Service Start Date that did not match the Service Start Date of record which was 07/01/2016 and second, the Original Service Start Date and New Service Start Date were identical, showing an intent to NOT change a Service Start Date at all.

Consistent with precedent in the Joseph Jingoli & Sons decision, this RIDF should be cancelled and Carson City allowed to keep E-Rate funding it had applied for, was funded for, and ultimately received. It is clear Carson City did not intend to change the Service Start Date with the submitted Form 500. It appears the form was submitted by mistake in light of confusion surrounding the chaotic first year of the Administrator's EPC program.

The District respectfully requests the FCC to direct USAC to cancel FCC Form 500 #80629, return the Form 471 Service Start Date to 7/1/2016, the number of months of service to 12 and reinstate both FRNs as was originally and accurately funded.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "Raymond Medeiros". The signature is fluid and cursive, with the first name "Raymond" and last name "Medeiros" clearly distinguishable.

Raymond Medeiros
Director of Innovation and Technology
Carson City School District
Carson City, Nevada